

Vigilance wing in Nationalised Banks

1800. SHRI KHAGEN DAS: Will the Minister of FINANCE be pleased to state:

- (a) whether Government are aware that some nationalized banks are sanctioning loans without examining properly the viability of the projects of which loans are given;
- (b) if so, the details of such cases and the steps taken against the personnel involved;
- (c) whether Government are satisfied with the role performed by the vigilance wing of the nationalized banks; and
- (d) if not, what steps have been taken to strengthen the wing?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) Reserved Bank of India (RBI) has reported that banks have with the approval of their respective boards laid down policies in relation to assessment of financial requirement of borrowers subject to compliance with prudential exposure norms. Deficiencies in credit appraisal, if any, such as overoptimistic projection, lack of critical in-depth analysis/ techno economic evaluation of the project and sensitivity analysis etc. observed by RBI in the Annual Financial Inspections are discussed with the management of the banks for remedial action.

(c) and (d) The Central Vigilance Commission (CVC) has reported that it is satisfied with the working of vigilance wings of public sector banks and suitable remedial action is taken on an ongoing basis where deficiencies are observed.

Pension options in State Bank of Indore

1801. SHRI YADLAPATI VENKAT RAO: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that some employees of award-staff of Janakpuri Branch, New Delhi of the State Bank of Indore, who had submitted their option for pension in 1994, had not been forwarded by the Branch Manager in time;
- (b) if so, the reasons therefor;
- (c) the details of representations, etc. forwarded/made by the Members of Parliament in this regard to the Ministry/Bank;
- (d) by when the pension options are likely to be allotted/accepted by the Bank; and